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October 28, 1996

Mary Rose Repine
Department of Food & Agriculture
1220 N Street
Sacramento, CA 95814

RE:

Economic Modeling for the CALFED Bay-Delta Program

Dear Ms. Repthe:

Thank you for transmitting the information on the Economic Modeling performed by U. C. Berkeley for the Environmental Protection Agency. Our consultants' analysis of their work and the recent modifications to the Central Valley Production Model (CVPM) is attached for your information.

As I understand the current state of the discussions on economic models, there seems to be general agreement between the Berkeley modeling group and our own consultants that the CVPM, with the modifications that were recommended by Dr. Howitt at U.C. Davis, and Drs. Sunding and Zilberman at U.C. Berkeley, is the appropriate economic model to use in the CALFED process. Consequently, on the basis of this input and comments received during public review of our proposed modeling tools, we continue to advocate CVPM for economic modeling for our program.

We appreciate your offer to use your Department's current contracts to access the consulting services of the modelers at U.C. Berkeley and U.C. Davis. We will be in a position to discuss how we can use their services once we have formulated a plan for the economic modeling effort.

Sincerely,

Steve Yaeger

Deputy Director

Attachment

CALFED Agencies